

### REMARKS

Claims 1, 2, 4, 8, 10-13 and 15 have been amended to more fully point out and distinctly claim the subject matter of the present invention. Claim 16 has been added to the application. No new matter has been added. Thus, claims 1-16 are pending in the present application. In view of the foregoing amendments and the following remarks, it is respectfully submitted that all of the presently pending claims are allowable.

#### I. The Rejections Under 35 U.S.C. § 101 Should Be Withdrawn

The Examiner has rejected claims 1-14 under 35 U.S.C. 101 as being directed to non-statutory subject matter. *Office Action*, page 2. The applicants respectfully disagree with the Examiner's statements regarding the form of the claims and whether the claims as written are non-statutory. *See, MPEP § 2106*. However, in the interest of expediting the allowance of the present claims, the applicants have amended independent claim 1 to recite a method "wherein at least a portion of the method is operable as instructions stored on a processor" which accomplishes the practical application of "projecting at each of the predetermined times the future condition of the business entity based on a monetary value of each of the risks and opportunities."

In addition, applicants have amended independent claim 10 to recite a system "comprising computer program code stored on a computer readable storage medium and operable by a processor" which accomplishes the practical application of "projecting the future condition of the business entity based on a monetary value of each of the risks and opportunities stored in the first data module."

Accordingly, the applicants respectfully submit that claims 1-14 are directed to statutory subject matter and the rejection under 35 U.S.C. 101 should be withdrawn.

## II. The Rejections Under 35 U.S.C. § 102 Should Be Withdrawn

The Examiner has rejected claims 1, 3-6, 10 and 13-15 under 35 U.S.C. 102(e) as being anticipated by U.S. Patent Application Publication 2002/0049621 to Bruce (the "Bruce reference"). *Office Action*, pages 3-5. Initially, the applicants do not concede that the Bruce reference is prior art to the present application. The Bruce reference was filed on March 29, 2001 which is after the filing date (October 6, 2000) of the present application. The Bruce reference is based on a provisional application 60/226,576 filed on August 21, 2000. The applicants neither concede that the provisional application supports the subject matter in the Bruce reference used by the Examiner for the rejection nor that the present invention was made earlier than any alleged invention in the Bruce reference. However, in the interest of expediting the allowance of the present invention, the applicants will address the Examiner's rejection based on the Bruce reference.

The Bruce reference describes a method for an individual or a business organization to accomplish external goals based on scheduling drivers and operational drivers. The scheduling drivers are described as entity classifications which contain various information. *Bruce reference*, ¶ 0194. Operational drivers are described as resource priorities which depend on the company. *Id.* at ¶ 0210. Each of contributions of these drivers may be weighted differently based on one of the specific five process flows described. *Id.* at ¶ 0192. A business organization may then use the weighted averages of these drivers to make a decision. *Id.* at ¶ 0405.

Claim 1 of the application recites a method comprising "evaluating at predetermined times *a potential monetary impact* of each of the risks and each of the opportunities on the future condition of the business entity" and "projecting at each of the predetermined times the future condition of the business entity based on *a monetary value* of

each of the risks and opportunities, wherein the monetary value for each of the risks and opportunities is determined based on the potential monetary impact and the corresponding one of frequency and probability.”

As described in the specification of the present invention, there may be many manners of quantifying monetary risk, including the assigning of a monetary value based the EBIT (earnings before interest and taxes). *Specification*, page 13, lines 11-28. This *potential monetary impact* when combined with the frequency or probability that a risk/opportunity will occur results in the assignment of *a monetary value* for each of the risks and/or opportunities. This monetary value is important because it allows those responsible for managing risks and opportunities to make decisions and/or mitigate risks based on the monetary value of the risk/opportunity to the business entity.

In contrast, the Bruce reference neither discloses nor suggests quantifying risks and opportunities based on the monetary impact to the business entity. The Bruce reference describes artificial weighted averages for various levels of drivers which may be used for decision purposes. However, decision makers in business entities are concerned with the monetary impact of decisions and how each factor (risk/opportunity) contributes to this monetary impact. The weighted averages described in the Bruce reference do not provide any monetary information concerning the factors described in the Bruce reference.

Furthermore, any monetary discussions in the Bruce reference appear to be limited to previous budget histories and cost changes. However, there is no teaching or suggestion that such matters can be used to assign a *potential monetary impact* to individual risks or opportunities as is recited in claim 1. In addition, there is no teaching or suggestion that such a *potential monetary impact* can then be combined with a probability (or frequency) of risk/opportunity occurrence to result in *a monetary value* for each of the individual risks and

opportunities.

Accordingly, for at least the reasons described above, the applicants respectfully submit that the Bruce reference neither teaches nor discloses “evaluating at predetermined times *a potential monetary impact* of each of the risks and each of the opportunities on the future condition of the business entity” and “projecting at each of the predetermined times the future condition of the business entity based on *a monetary value* of each of the risks and opportunities, wherein the monetary value for each of the risks and opportunities is determined based on the potential monetary impact and the corresponding one of frequency and probability” as recited in claim 1. Applicants therefore respectfully request that the rejection of claim 1 and all the rejected claims dependent therefrom (claims 3-6) be withdrawn.

Similarly, the remaining independent claims have similar limitations as described above with reference to claim 1. Specifically, claim 10 recites a system comprising of “a second data storage module receiving and storing data corresponding to *a potential monetary impact* on the future condition of the business entity of each of the risks and opportunities stored in the first data storage module” and “a calculation module projecting the future condition of the business entity based on *a monetary value of each of the risks and opportunities* stored in the first data module, wherein the monetary value is a function of the potential monetary impact and the one of frequency and probability for each of the risks and opportunities from the first and second input modules.”

Claim 15 recites a method running on a processor comprising the steps of “evaluating at predetermined times *a potential monetary impact* of each of the risks and each of the opportunities on the future condition of the business entity” and “projecting at each of the predetermined times the future condition of the business entity based on *a monetary value of each of the risks and opportunities*, wherein the monetary value for each of the risks and

opportunities is determined based on the potential monetary impact and the corresponding one of frequency and probability.

Accordingly, for the same reasons as described above with reference to claim 1, the applicants respectfully request that the rejection of claims 10 and 15 and the claims depending therefrom (claims 13-14) be withdrawn.

### **III. The Rejections Under 35 U.S.C. § 103 Should Be Withdrawn**

The Examiner has rejected claims 2, 7-9, 11 and 12 under 35 U.S.C. 103(a) as being unpatentable over the Bruce reference. *Office Action*, pages 6-8. Each of the rejected claims depend from either independent claim 1 or 10 discussed above. Thus, since each of the independent claims is allowable, applicants respectfully request the Examiner to withdraw the rejections of claims 2, 7-9, 11 and 12.

**CONCLUSION**

In view of the remarks submitted above, the applicants respectfully submit that the present case is in condition for allowance. All issues raised by the Examiner have been addressed, and a favorable action on the merits is thus earnestly requested.

Respectfully submitted,

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By: 

Michael J. Marcin (Reg. No. 48,198)

FAY KAPLUN & MARCIN, LLP  
150 Broadway, Suite 702  
New York, NY 10038  
(212) 619-6000 (phone)  
(212) 208-6819 (facsimile)